

FY2006 RESULTS AND FY2007 PROJECTIONS

MAZDA MOTOR CORPORATION

April 27, 2007

OUTLINE

- **Overview**
- **FY2006 Results**
- **FY2007 Projections**
- **In Summary**

OVERVIEW

FY2006 HIGHLIGHTS

- ➔ **Operating Profit, Up 28% to ¥158.5 Billion**
- ➔ **Net Income, at ¥73.7 Billion, Up 26%
Excluding Impact of Gain from Pension
Fund Return and Asset-Impairment Losses
in the Prior Year**
- ➔ **Record High Profits at All Levels**
- ➔ **Product-led Growth with the CX-7 and CX-9**
- ➔ **Revenues Up 11%**
- ➔ **Plan to Increase Dividend by ¥1 to ¥6 a Share**

FY2007 HIGHLIGHTS

- ➔ **Operating Profit Up 1% to ¥160 Billion, Net Income Up 15% to ¥85 Billion**
- ➔ **Launch Demio/Mazda2 in Japan, Europe and Other Markets, Launch CX-7 in Europe**
- ➔ **Global Retail Sales Up 4% to 1.35 Million Units**
- ➔ **Expand Domestic Plant Capacity**
- ➔ **Start Operation at Vehicle and Engine Plants in China**
- ➔ **Resume Interim Dividend**
- ➔ **Implement Mazda Advancement Plan**

FY2006 RESULTS

FY2006 FINANCIAL METRICS

(Billion yen)	Full Year		Change	
	<u>FY2006</u>	<u>FY2005</u>	<u>Amount</u>	<u>Pct.</u>
Revenues	3,247.5	2,919.8	327.7	11 %
Operating Profit	158.5	123.4	35.1	28 %
Ordinary Profit	127.8	101.5	26.3	26 %
Profit Before Tax	118.5	117.5	1.0	1 %
Net Income	73.7	66.7	7.0	11 %
Memo: Net Income *	73.7	58.4	15.3	26 %
Operating ROS	4.9 %	4.2 %	0.7 Pts	-
EPS (Yen/Share)	52.6	51.5	1.1	2 %

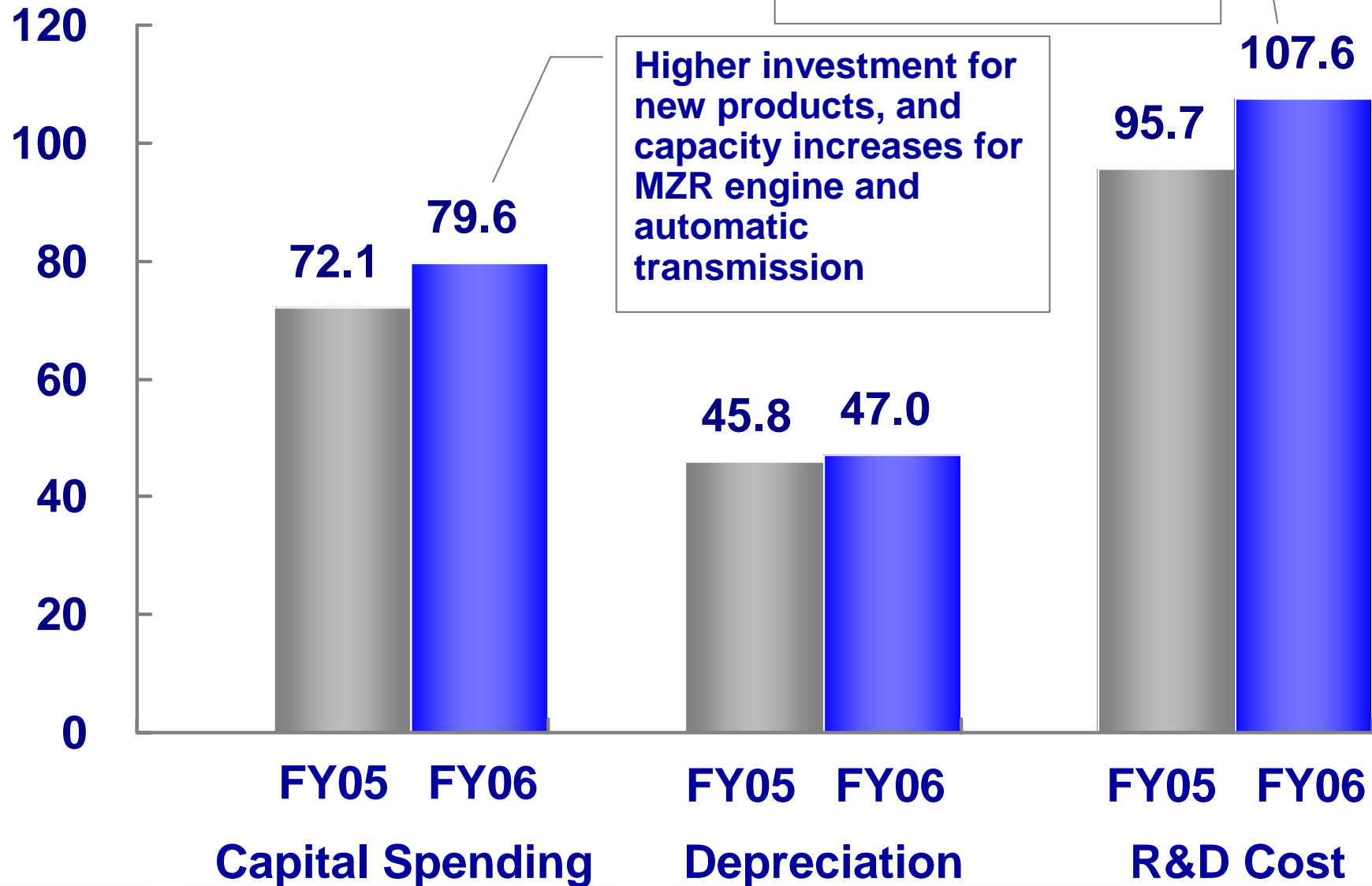
*Net Income without pension fund return gain and asset-impairment losses in the prior year.

CASH FLOW & NET DEBT

(Billion yen)	<u>FY2006</u>	<u>FY2005</u>	<u>B/(W) Prior Year End</u>
Cash Flow			
- Operating C/F	116.4	114.6	-
- Investment C/F	<u>(95.4)</u>	<u>(81.0)</u>	-
- Free C/F	21.0	33.6	-
Net Debt	232.2	246.8	14.6
Net Debt-to-Equity	49 %	62 %	13 Pts
Dividend (Yen/Share)	6	5	1

KEY DATA

Billion yen

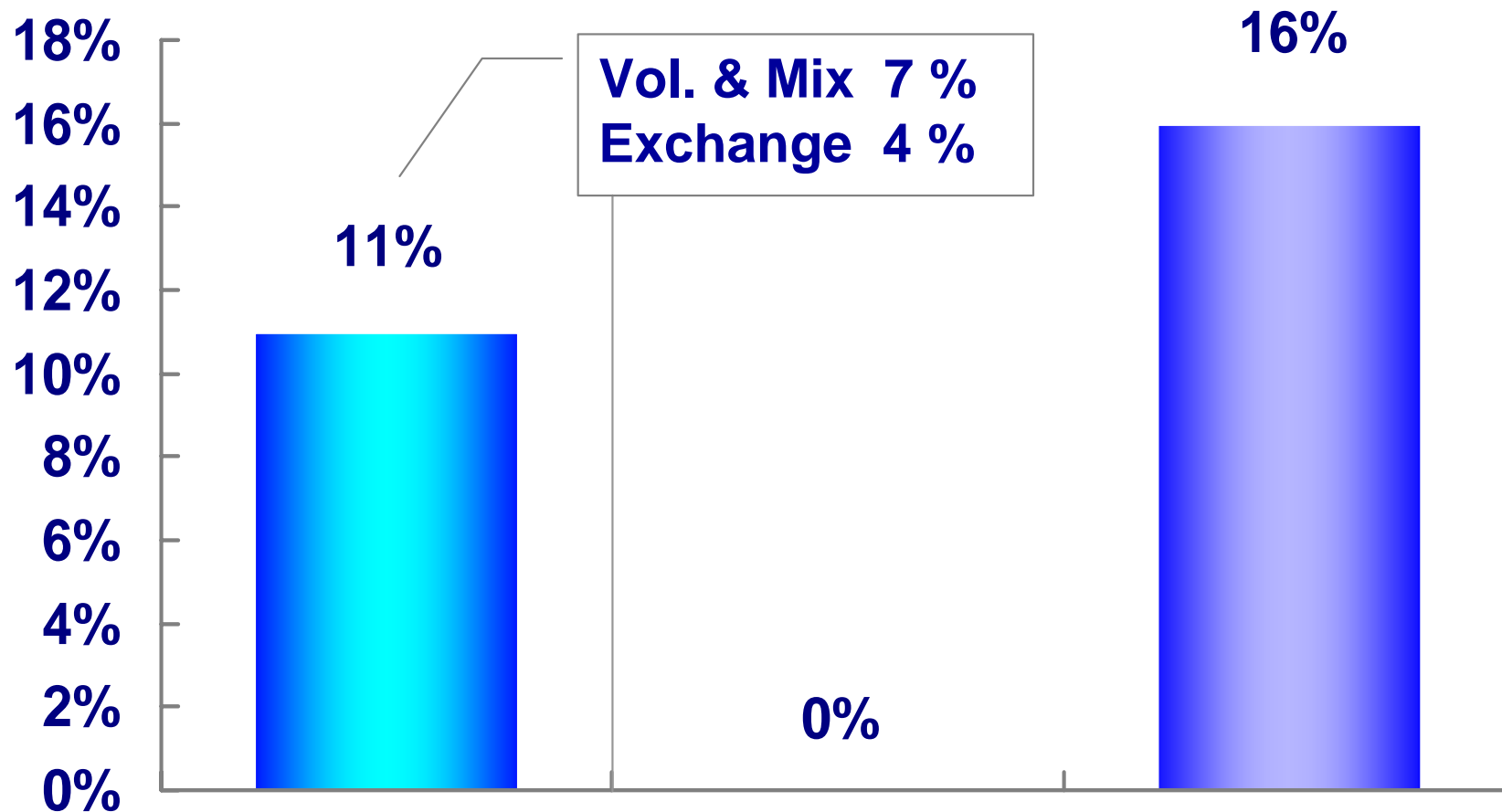


KEY DATA

	Full Year		Change
	FY2006	FY2005	
Global Retail Volume (000)	1,302	1,276	2 %
Exchange Rates			
Yen / U.S. Dollar	117	113	¥ 4
Yen / Euro	150	138	¥ 12

REVENUE CHANGES BY DESTINATION

FY2006 Compared With FY2005



(Billion yen)

Total

Domestic

Overseas

FY06

3,247.5

887.3

2,360.2

FY05

2,919.8

887.7

2,032.1

	Full Year		Change
	FY2006	FY2005	
Retail Volume (000) *	261	285	(9) %

Low Registration Vehicle Demand



* Excluding volume sold under Ford Brand

NORTH AMERICA

Retail Volume (000)	Full Year		Change
	FY2006	FY2005	
United States	281	262	7 %
Canada & Other *	99	90	10 %
North America Total	<u>380</u>	<u>352</u>	8 %

Introduced CX-7, CX-9 and Tribute



* Including Mexico and Puerto Rico

	Full Year		<u>Change</u>
	<u>FY2006</u>	<u>FY2005</u>	
Retail Volume (000)	301	282	7 %

Exceeded 300,000 Units First in 15 Years



	<u>Full Year</u>		<u>Change</u>
	<u>FY2006</u>	<u>FY2005</u>	
Retail Volume (000)	129	130	(1) %

Resumed Sales of Mazda3



OTHER MARKETS

	<u>Full Year</u>		<u>Change</u>
	<u>FY2006</u>	<u>FY2005</u>	
Retail Volume (000)	231	227	2 %

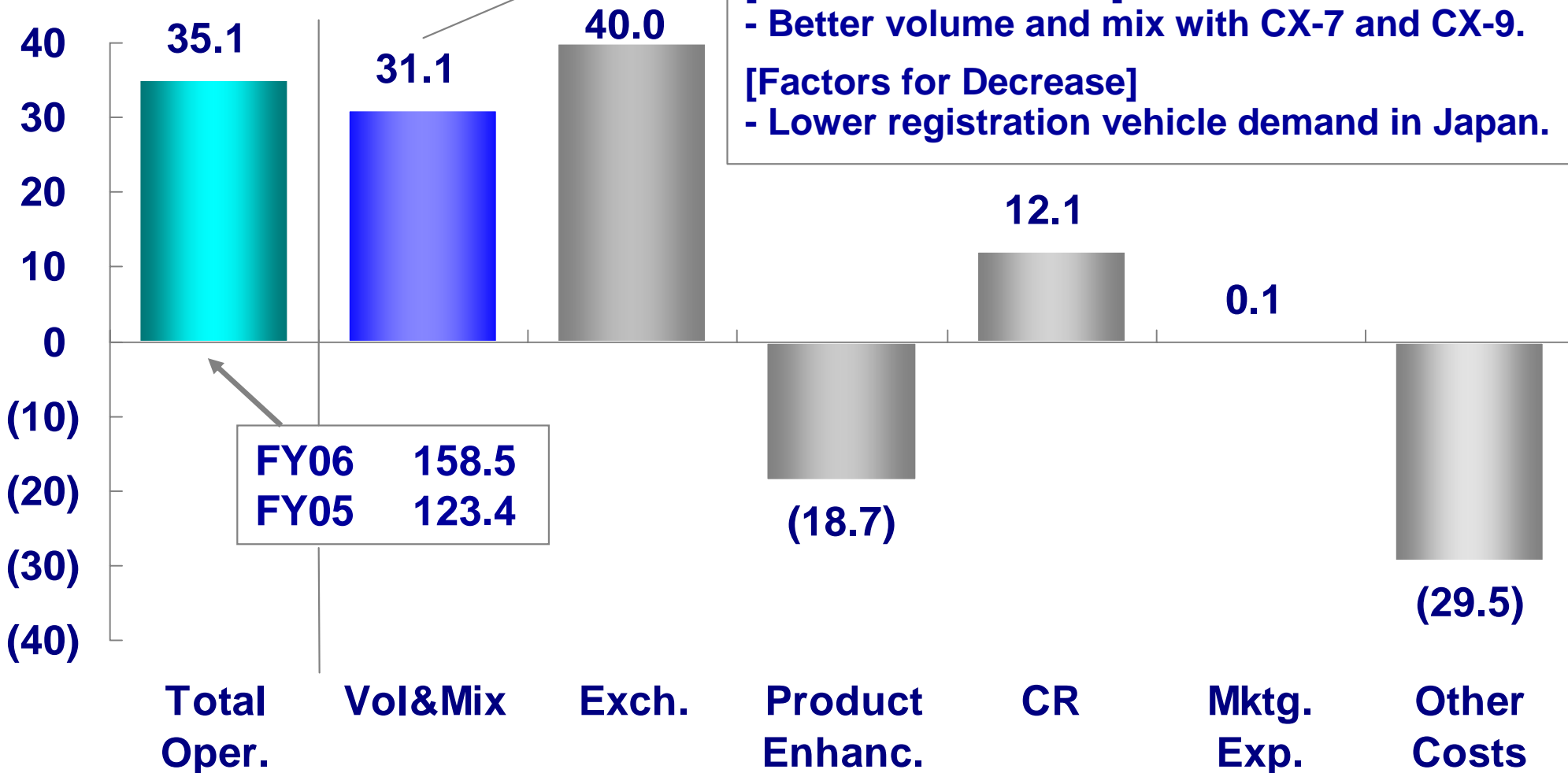
New Pick-Up BT-50 Contributed to Sales Growth



OPERATING PROFIT CHANGES

FY2006 Compared With FY2005

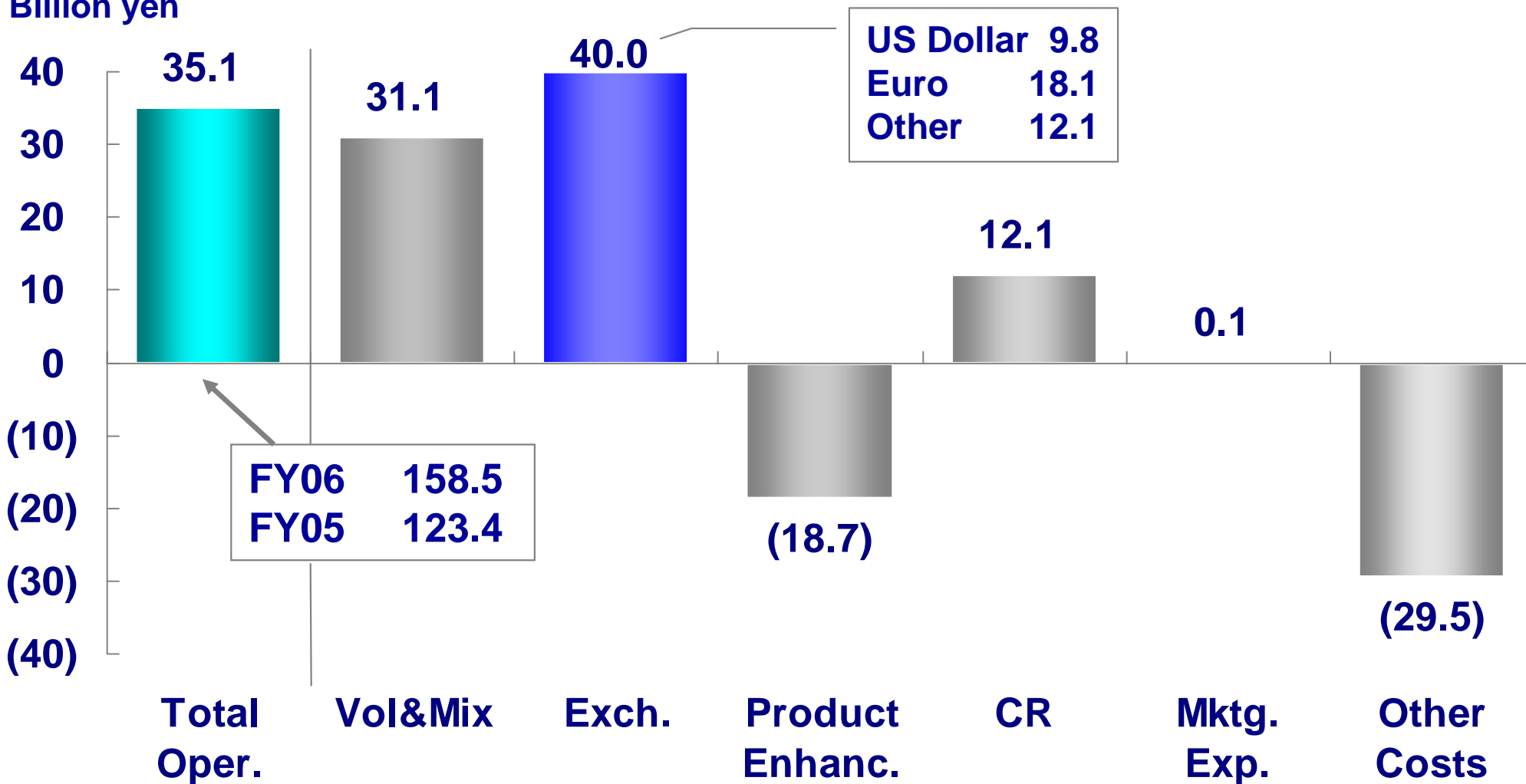
Billion yen



OPERATING PROFIT CHANGES

FY2006 Compared With FY2005

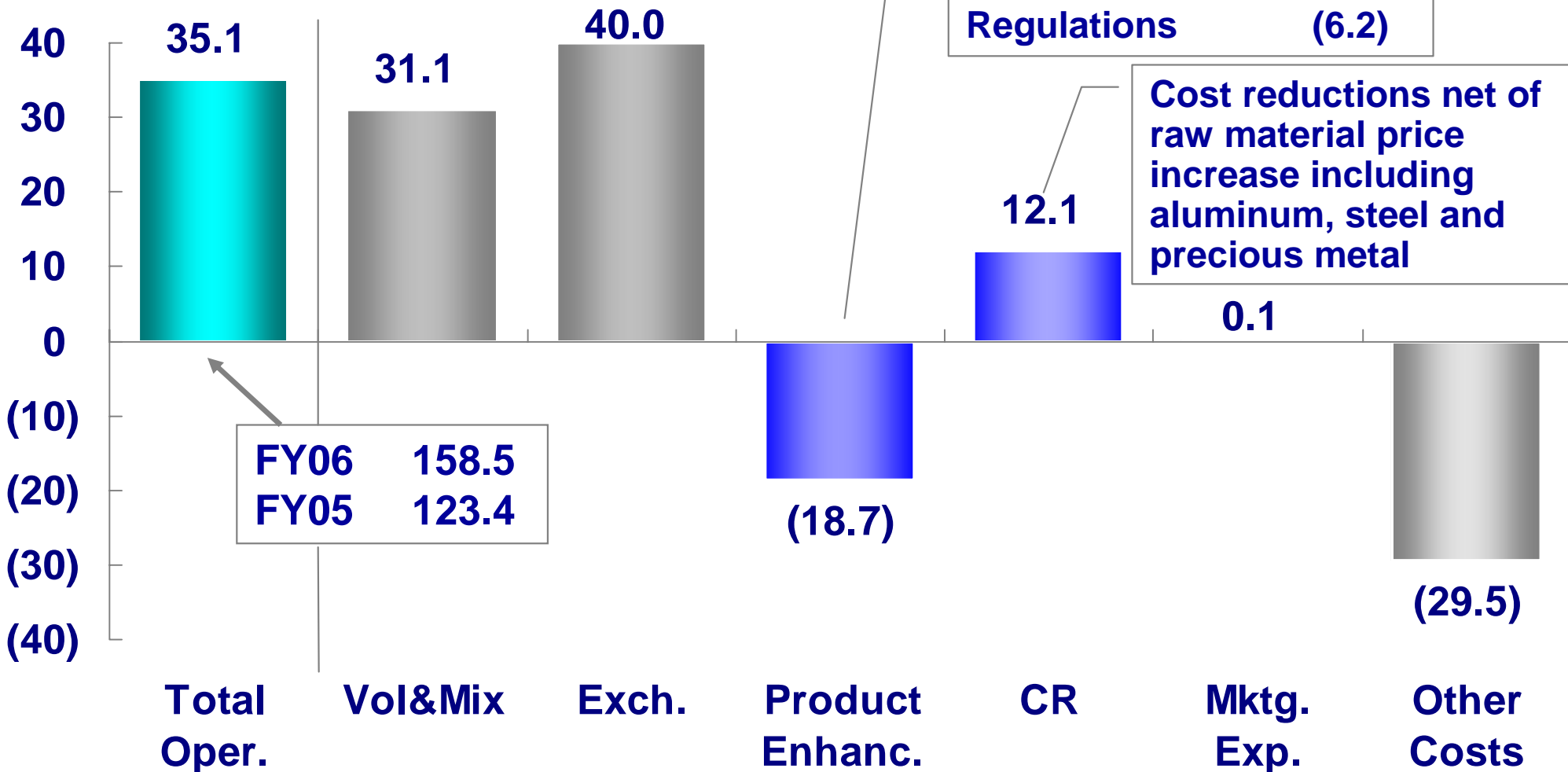
Billion yen



OPERATING PROFIT CHANGES

FY2006 Compared With FY2005

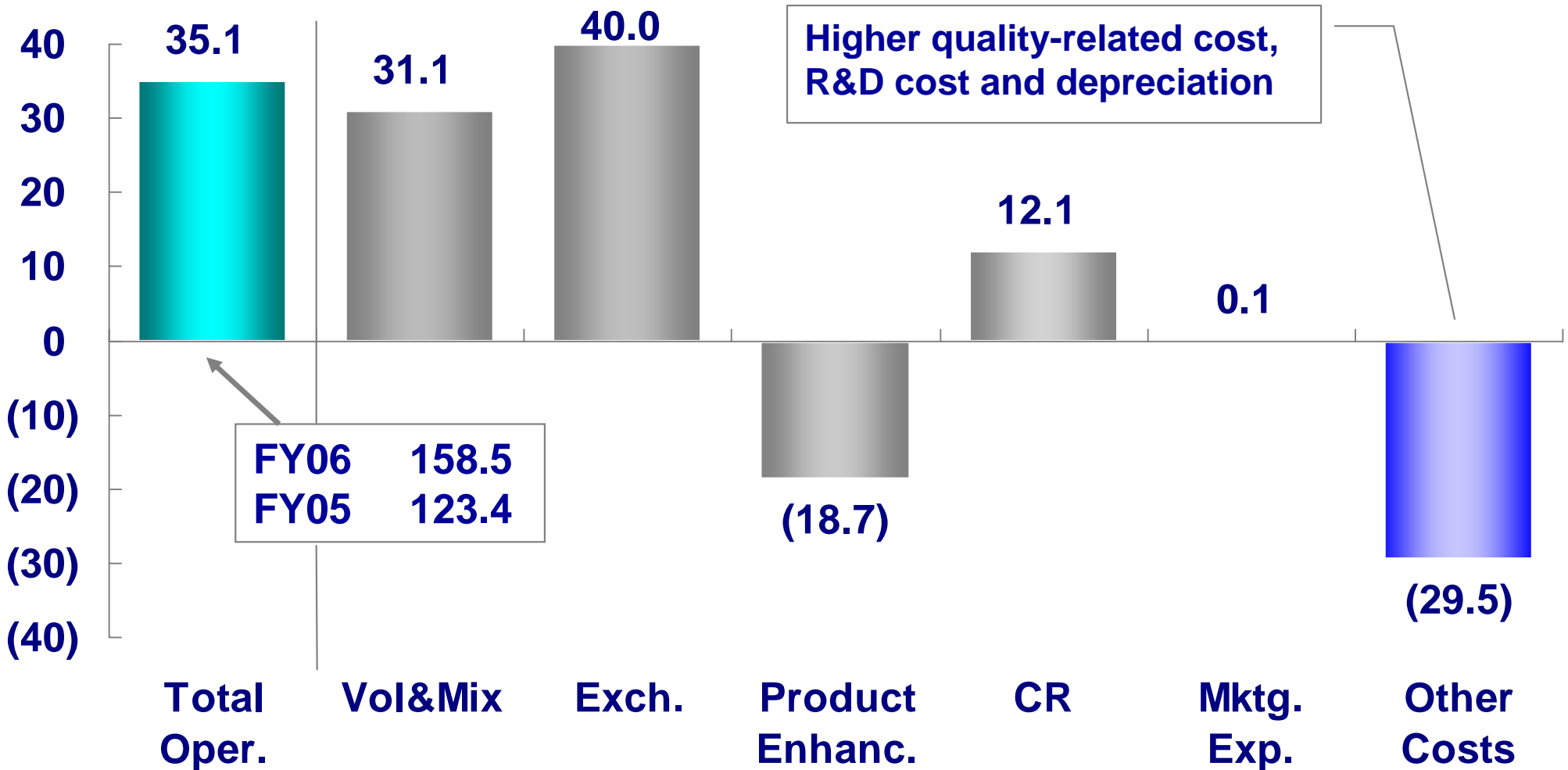
Billion yen



OPERATING PROFIT CHANGES

FY2006 Compared With FY2005

Billion yen



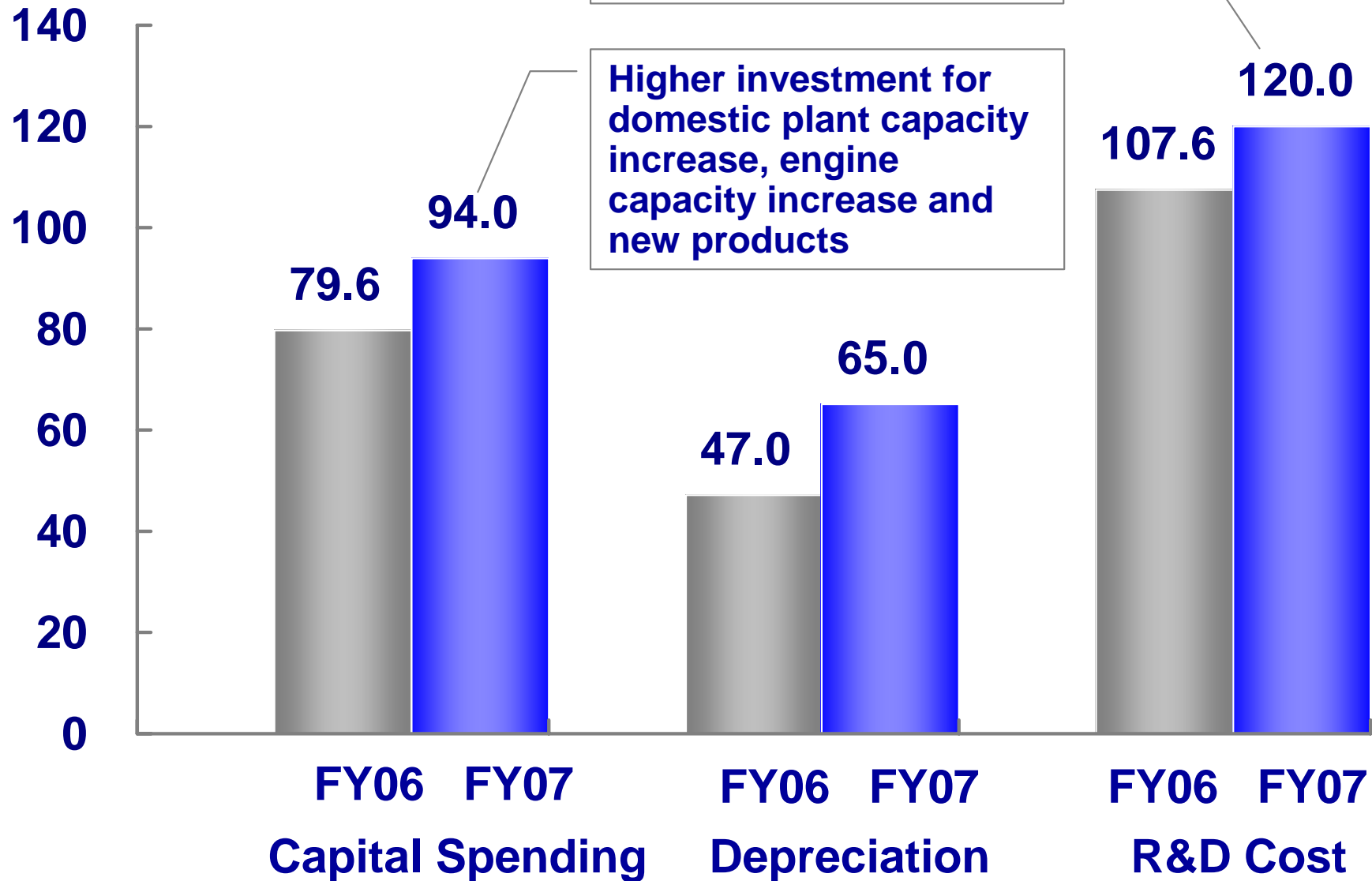
FY2007 PROJECTIONS

FY2007 FINANCIAL METRICS

(Billion yen)	Full Year		Change	
	<u>FY2007</u>	<u>FY2006</u>	<u>Amount</u>	<u>Pct.</u>
Revenues	3,320.0	3,247.5	72.5	2 %
Operating Profit	160.0	158.5	1.5	1 %
Ordinary Profit	140.0	127.8	12.2	10 %
Profit Before Tax	130.0	118.5	11.5	10 %
Net Income	85.0	73.7	11.3	15 %
Operating ROS	4.8 %	4.9 %	(0.1) Pts	-
EPS (Yen/Share)	60.4	52.6	7.8	15 %

KEY DATA

Billion yen

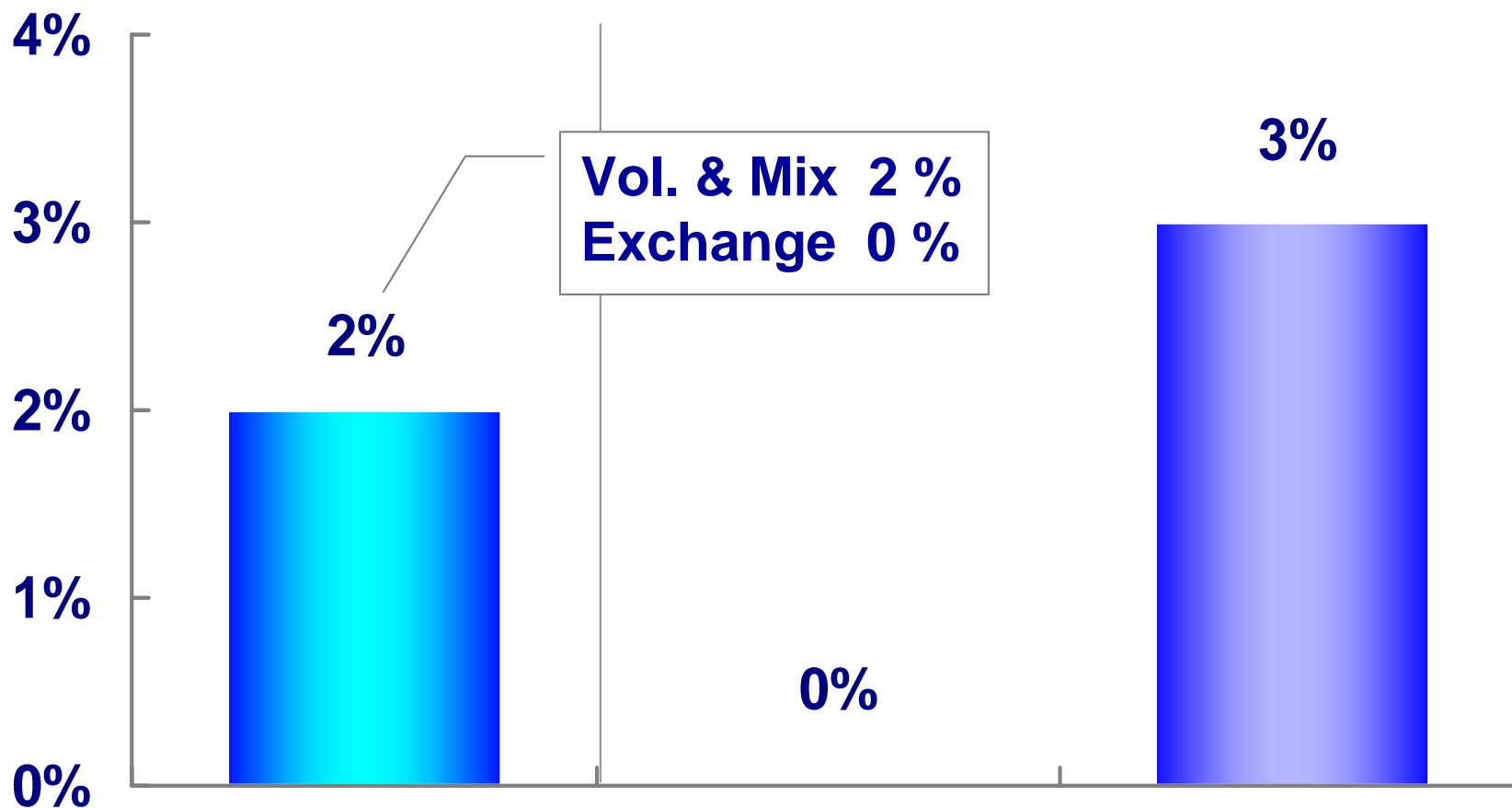


KEY DATA

	<u>Full Year</u>		<u>Change</u>
	<u>FY2007</u>	<u>FY2006</u>	
Global Retail Volume (000)	1,350	1,302	4 %
Exchange Rates			
Yen / U.S. Dollar	115	117	¥ (2)
Yen / Euro	153	150	¥ 3

REVENUE CHANGES BY DESTINATION

FY2007 Compared With FY2006



(Billion yen)

FY07
FY06

Total

3,320.0
3,247.5

Domestic

890.0
887.3

Overseas

2,430.0
2,360.2

	Full Year		<u>Change</u>
	<u>FY2007</u>	<u>FY2006</u>	
Retail Volume (000)	262	261	1 %

Introduce New Demio



NORTH AMERICA

Retail Volume (000)	Full Year		Change
	<u>FY2007</u>	<u>FY2006</u>	
United States	296	281	5 %
Canada & Other *	107	99	8 %
North America Total	<u>403</u>	<u>380</u>	6 %

Full Year Contribution of CX-7 & CX-9



* Including Mexico and Puerto Rico

	<u>Full Year</u>		<u>Change</u>
	<u>FY2007</u>	<u>FY2006</u>	
Retail Volume (000) *	321	304	6 %

Introduce New Mazda2



* Including Turkey

	<u>Full Year</u>		<u>Change</u>
	<u>FY2007</u>	<u>FY2006</u>	
Retail Volume (000)	105	129	(19) %
Excl. Volume Produced in Hainan	105	53	98 %

Sales Growth with Mazda2 & Mazda3



OTHER MARKETS

	<u>Full Year</u>		<u>Change</u>
	<u>FY2007</u>	<u>FY2006</u>	
Retail Volume (000) *	259	228	14 %

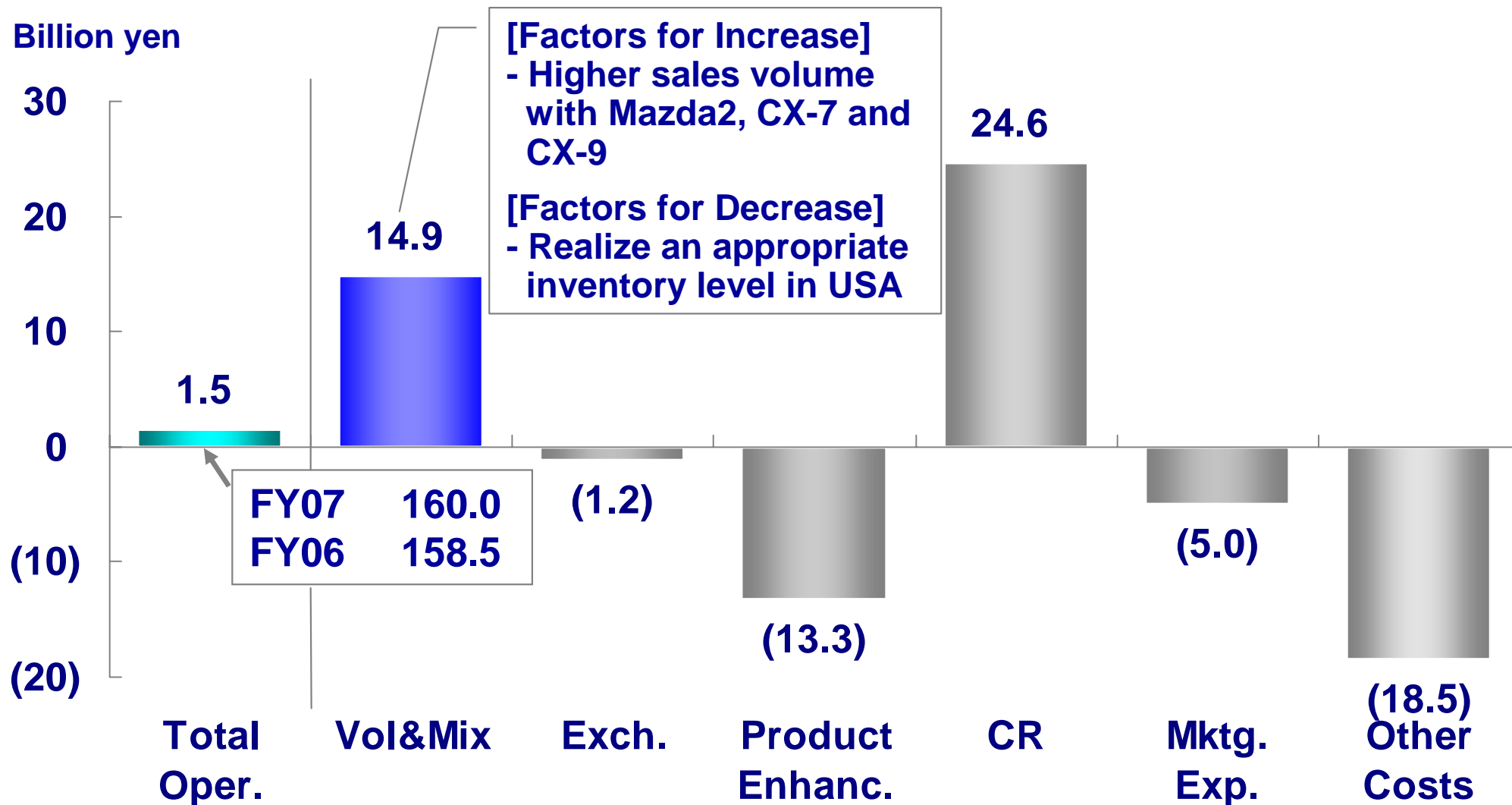
Introduce CX-9 in Australia



* Excluding Turkey

OPERATING PROFIT CHANGES

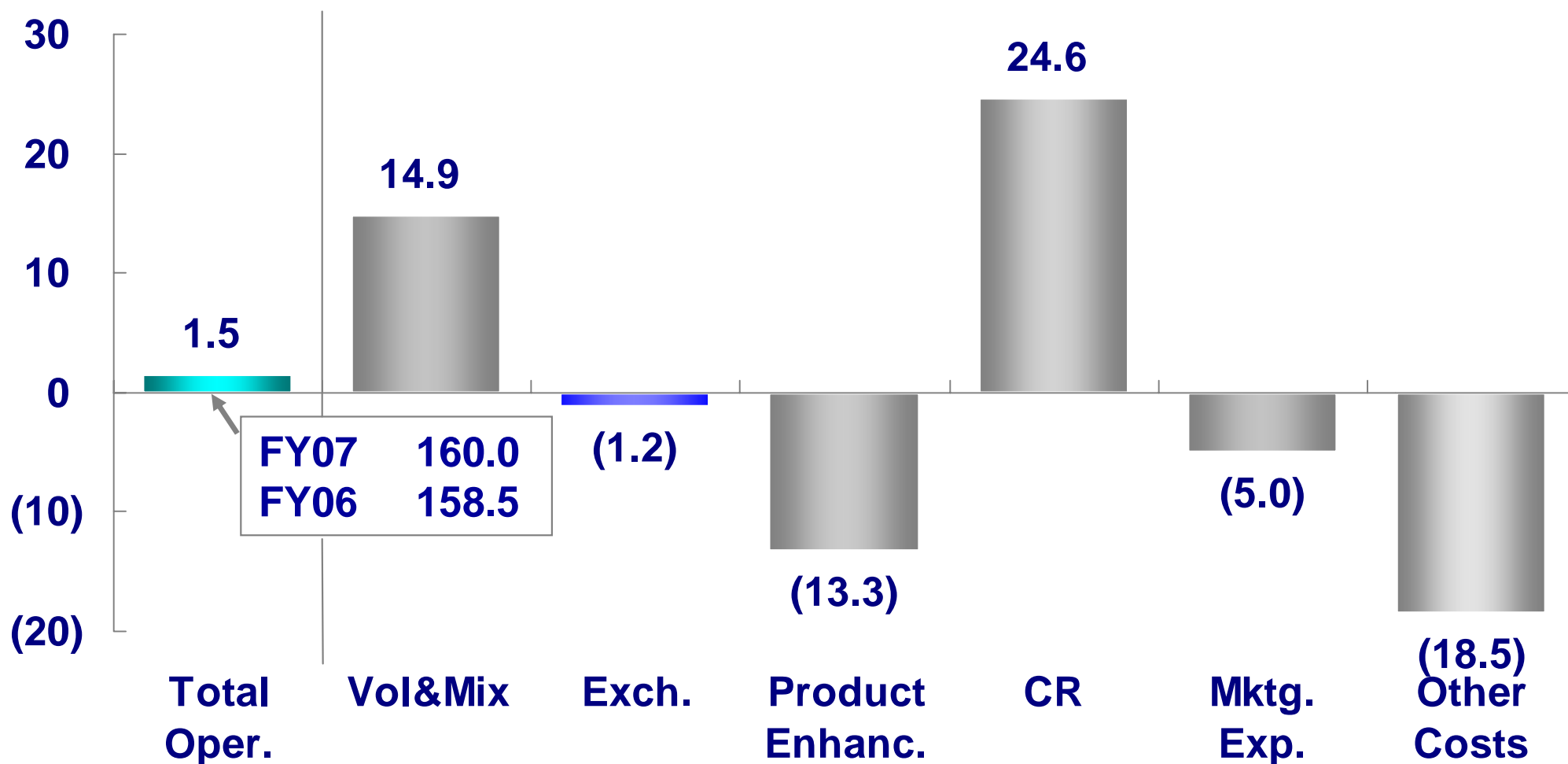
FY2007 Compared With FY2006



OPERATING PROFIT CHANGES

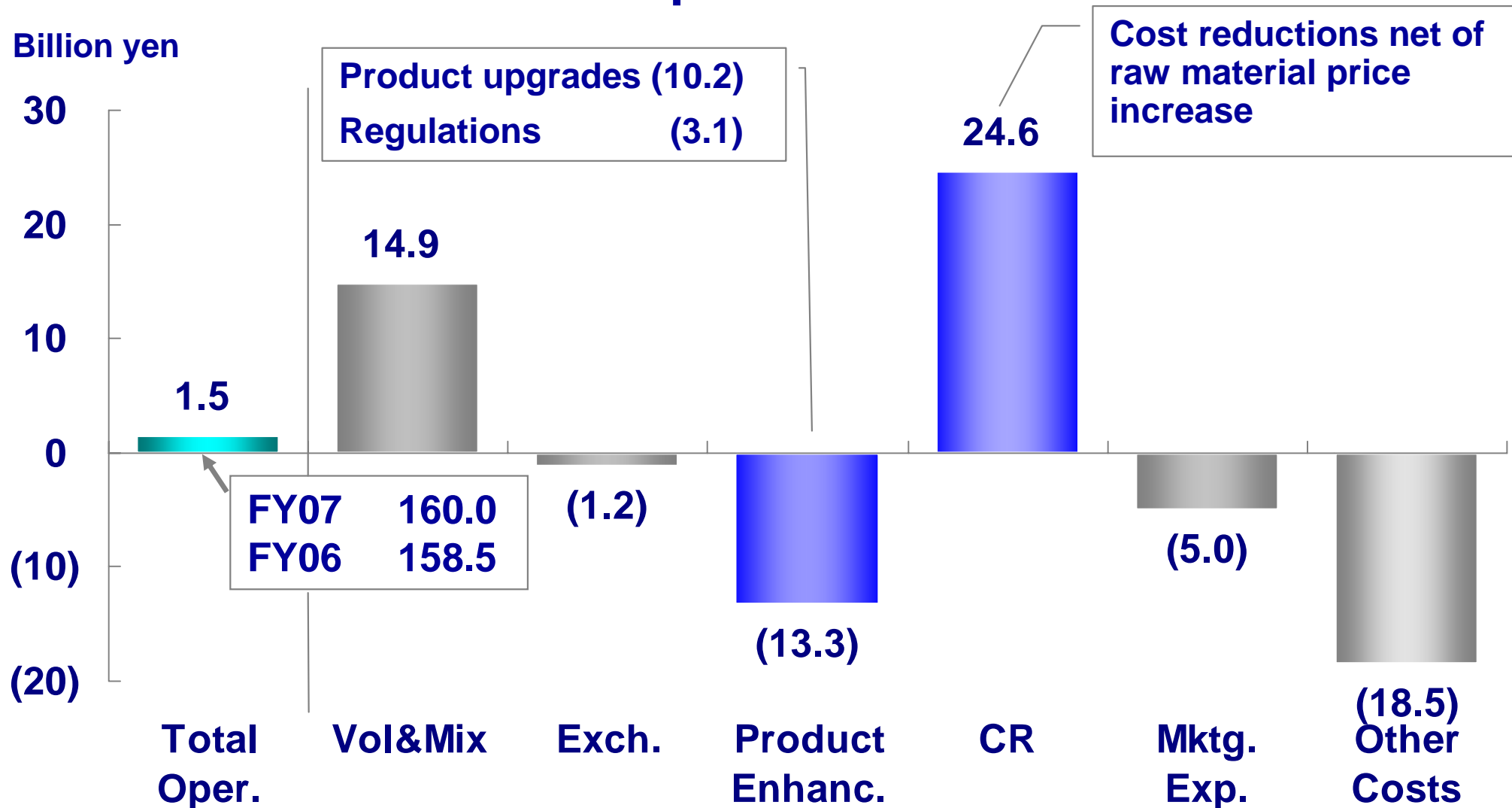
FY2007 Compared With FY2006

Billion yen



OPERATING PROFIT CHANGES

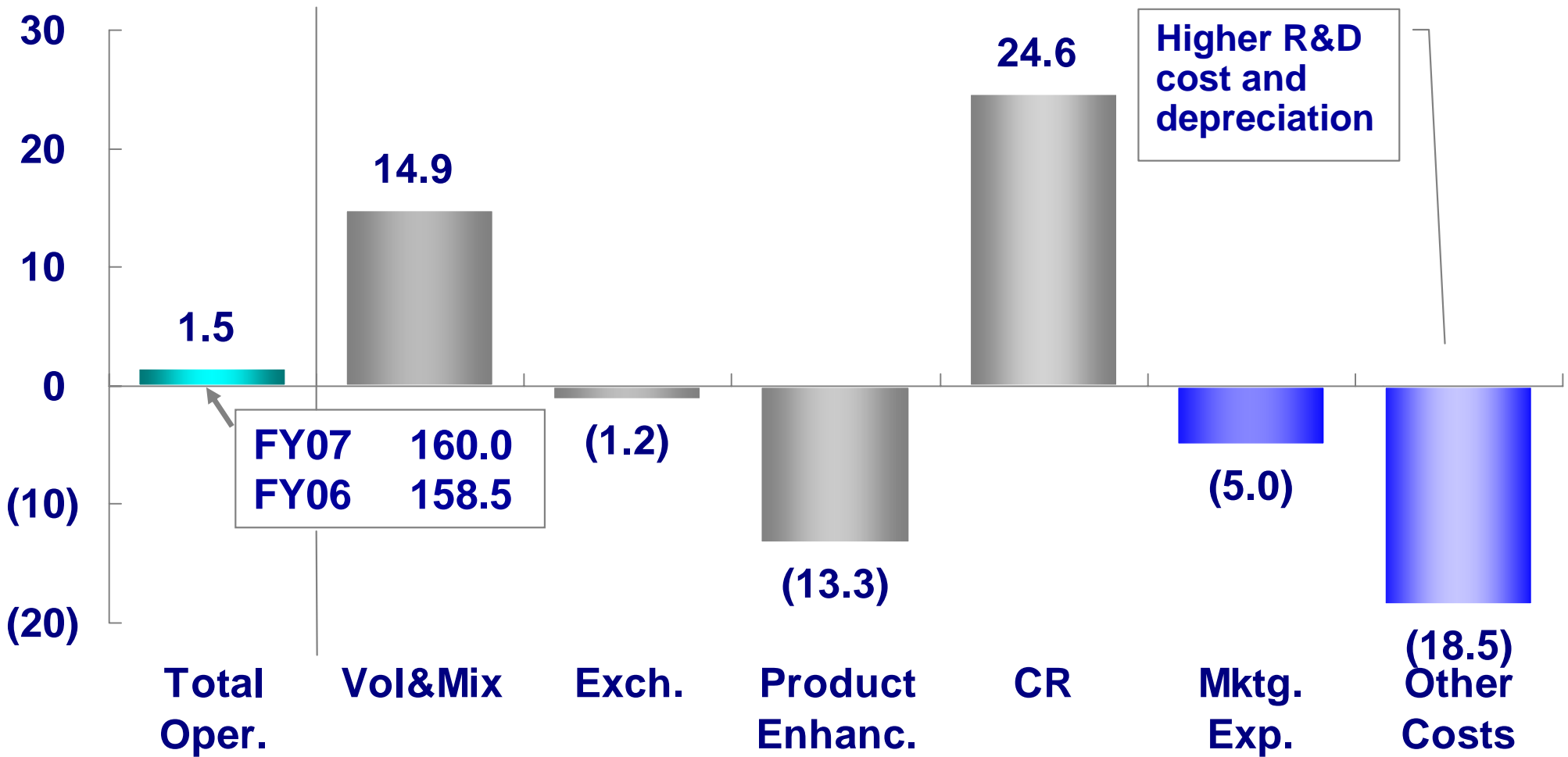
FY2007 Compared With FY2006



OPERATING PROFIT CHANGES

FY2007 Compared With FY2006

Billion yen



Higher R&D cost and depreciation

IN SUMMARY

- **FY06 Operating Profit Up 28% to ¥158.5 Billion, Achieved Record-High Profits at All Levels**
- **FY07 Operating Profit Up 1% to ¥160 Billion, Net Income Up 15% to ¥85 Billion**
- **Continue Product-led Growth**
- **Capacity Expansion in Japan and China**
- **Implement Mazda Advancement Plan For the Future**



mazda

APPENDIX

KEY DATA

(Billion yen)	FY2007		
	<u>1st Half</u>	<u>2nd Half</u>	<u>Full Year</u>
Revenues	1580.0	1740.0	3320.0
Operating Profit	60.0	100.0	160.0
Ordinary Profit	50.0	90.0	140.0
Profit Before Tax	45.0	85.0	130.0
Net Income	25.0	60.0	85.0
Operating ROS	3.8 %	5.7 %	4.8 %
EPS (Yen/Share)	17.8	42.6	60.4

KEY DATA

(000)	FY2007		
	<u>1st Half</u>	<u>2nd Half</u>	<u>Full Year</u>
Global Retail Volume			
Japan	126	136	262
North America	218	185	403
Europe *	155	166	321
China	43	62	105
Other	128	131	259
Total	<u><u>670</u></u>	<u><u>680</u></u>	<u><u>1,350</u></u>

* Including Turkey

KEY DATA

	FY2007		
	<u>1st Half</u>	<u>2nd Half</u>	<u>Full Year</u>
Consol. Wholesales (000)			
Japan	128	137	265
North America *	177	202	379
Europe	132	184	316
Other	113	127	240
Total	<u>550</u>	<u>650</u>	<u>1,200</u>
Exchange Rates			
Yen/U.S. Dollar	115	115	115
Yen/Euro	155	150	153

* Including Puerto Rico

DISCLAIMER

The projections and future strategies shown in this presentation are based on various uncertainties including without limitation the conditions of the world economy in the future, the trend of the automotive industry and the risk of exchange-rate fluctuations.

So, please be aware that Mazda's actual performance may differ substantially from the projections.

If you are interested in investing in Mazda, you are requested to make a final investment decision at your own risk, taking the foregoing into consideration.

Please note that neither Mazda nor any third party providing information shall be responsible for any damage you may suffer due to investment in Mazda based on the information shown in this presentation.